

HAMILTON COUNTY BOARD OF COMMISSIONERS
JOINT MEETING WITH
CITY OF NOBLESVILLE
MARCH 12, 2004

The Hamilton County Board of Commissioners met with representatives from the City of Noblesville on Friday, March 12, 2004 at 8:30 am. The meeting was held in Conference Room 1A of the Hamilton County Government and Judicial Center, One Hamilton County Square, Noblesville, Indiana. President Dillinger called the meeting to order and declared a quorum present of Commissioner Christine Altman, Commissioner Steven C. Dillinger and Commissioner Steven A. Holt.

146th Street Extension:

Dillinger stated the purpose of today's meeting is to come to an agreement on the 146th Street extension concerning construction and finances. Dillinger stated he met with Mayor Ditslear and explained the county's position in regards to keeping 146th Street a thoroughfare with the city's lights and needs. Some suggestions were doing away with the lights at Promise Road and Marilyn Road and putting a light at Summer Road (yet to be built). Mayor John Ditslear has indicated the City needs the light at Promise Road. Dillinger stated if we have a light at Promise Road and Summer Road and do away with the light at Marilyn Road and not allow Option #5 which is the left access in that curve, we might be able to come to an agreement. Mayor Ditslear stated he agrees. The reason Promise Road is important is because it will go in to Union Chapel Road and then on to Stony Creek Shopping Center. That is very important to Noblesville to keep that light. Mr. Kevin Jump stated we were presuming that any public road either existing or illustrated on each other's perspective thoroughfare plans would be a main point of access. It is pre-mature to say whether or not a signal could be warranted at that location sometime in the future. The full access is what we are looking for at Summer. Dillinger stated we are talking about full access with a light at Summer, but giving up Marilyn. Mr. Michael Howard asked if Marilyn would be full access but not signalized? Dillinger stated no, it would not be full access, it would be right turn only. Dillinger stated we understand Noblesville wanting to promote your corporate campus and the commercial aspect of this. The County's position is in our master plan 146th Street is a east-west thoroughfare. We feel that it violates the integrity of moving traffic thru, which is the County's point of being involved, if you have that many traffic lights. If you think about the businesses on US 31 south of 136th Street to 96th Street, all of those businesses are along the road but they have inner access to the interior and they come out to a light. Dillinger stated he does not know how that would hurt Noblesville's economic development. When you look at how far these lights are from each other, some are as close as 1/3 of a mile, if we allow it to be clogged up the same thing will happen that happened when we did 96th Street, which was not supposed to be clogged up, but we did not make the agreements until we were too far into the project. If we allow that corridor to be clogged up that way, ultimately it will discourage the corporate campus because if people can't flow through there then they will not want to be there anyway. Mayor Ditslear stated his concern with the right only is that if he lived south of 146th Street and he wants to come to SR 37, he would come up Marilyn Road and he would like the opportunity to turn left. Dillinger stated we realize there will be movement on the interior, but if we are to protect the integrity of the thoroughfare, that is where the movement should be in our opinion. You are still ending up with five stop lights in 3 ½ miles. Dillinger stated he realizes that if the lights are synchronized right, that would be a positive. The Commissioner's agreed it was a big compromise to do this. Mr. Chris Hamm stated there are two more signals east of Boden Road, which have previously been agreed to. Mr. Hamm stated the area between Exit 10 and Boden Road will be developed predominately retail. A great deal of traffic will be generated interior of the development that will happen from Boden Road to SR 37, which will be predominately office and industrial. Dillinger asked why can't the interior road system be designed to where you don't have to have those lights? Mr. Hamm stated it will be. This will be an 80 acre tract with almost 700,000 square foot of retail. This is a very intense development with regards to square footage per acre. The access points to the main thoroughfare are critical. He does not want people driving from the south side of the road to 146th Street to go to another light to go north. His hope is that once they are in the development that they stay within the development and move within the development. We are going to make sure the roads are designed to do that. The problem is the guy who is trying to get from Point A to Point B and wants to get to the next light without ever turning before that. Altman asked if you have retail on both sides, that is what is going to be the traffic problem. Mr. Howard stated the County has approved those two lights and the City has made them as part of the development agreement and which have millions of dollars of penalties. Those lights can not be on the table. Dillinger stated these two lights affect the other five lights. Dillinger asked Dave Richter, United Consulting, what his thoughts were? Mr. Richter stated they have spoken to both Noblesville and the County Highway staff. It comes down to what the priorities are, whether are not it is moving traffic thru or distributing it to the facilities and attracting development. Dillinger stated that is where we differ, the County's priority is to protect the thoroughfare. We are trying to accommodate both of those with each side giving a little bit. Mr. Richter stated if it is possible to remove one of these traffic signals and trade it off for a parallel access road, that might make sense. [8:45:10] Mr. Hamm stated Noblesville is not sure whether the light should be at Marilyn Road or Summer Road, conditionally we would agree to what is on this plan with the caveat that we will make a decision about where the light needs to go in regards to Summer or Marilyn. Mr. Neal stated this should not be construed as a proposal, this is a map of what Noblesville has requested for discussion purposes only. Dillinger stated we don't care whether the light is at Summer or Marilyn, we don't want a light at both locations. Mr. Hamm stated we will agree to that. Dillinger stated we do not want the left access off #5, we don't want full access on either Summer or Marilyn, whichever one does not have the light, because there will be a median there. Mr. Neal stated #1 and #6 were proposed as full access and when we discussed this with the Commissioners there will be one signal between Promise Road and Boden Road and it will be Summer or Marilyn. Mr. Brad Davis stated on #1 there will be a right in, right out. Mr. Davis stated we agreed to #2 & #3. Mr. Davis stated we do not agree with #4 and #6. Altman stated she thought there was concern about how far east Summer Road would be placed, is that resolved? Mr. Davis stated we had discussed the option of combining #4 and #6 into one access point and place it at mid-point between Promise and Marilyn. We did not come to any agreement on that, but it is an option that was discussed. Dillinger stated as he discussed with Mayor Ditslear, the only reason the County should be involved in this is to protect our thoroughfare, if it becomes something other than that, then this is something that Noblesville should do on their own. When we discuss the finances, it makes more sense to co-op on it and we both give a little. There is no value to the County if we clog it all up. Mr. Hamm stated if the City of Noblesville had no financial involvement in this, the County could put cuts wherever you want them, we don't care. We think there is opportunity to share costs on this and meet some of our access concerns in the same process. Dillinger stated we need to come to a conclusion on this before we go to Washington. Altman stated otherwise our priorities shift from this project to Hazel Dell, she thinks that is a mistake, but she is not going to mis-represent where we are at. Mayor Ditslear stated he thought this was a proposal, if it is not we need to study this and determine what we are going to do. Mayor Ditslear stated he would hate to see 146th Street stop at SR 37. Mr. Hamm asked if the County's concern is the actuated intersections or the full access points? Holt stated either, we all know how warrants mess up our thoroughfares. Mr. Hamm stated if a light is warranted, it might make sense to put a light there. Holt stated it is nice to travel US 31 to go to the Ritz Charles where the State took the initiative to make the right turn only on those old intersections and that would now be lights. Altman stated the businesses have survived, they have profited, we don't have the public safety issues. She is not interested in 146th Street becoming a death trap

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and she is not interested in clogging up traffic. Development can be planned accordingly where we can accomplish both goals. We are in a perfect position to plan for 50 years and she does not want it to be like Fort Wayne, with a bypass where it is no longer a bypass. Dillinger stated there is an advantage in working with the developers, if we come to an agreement that this is the way it is, this would end the debate. They would have to plan their commercial developments around this. Mr. Hamm stated that is why we agree it needs to be defined. Dillinger stated if this road does not flow, that will be a large problem attracting businesses. Mayor Ditslear stated we do not want it to be a 96th Street. Mr. Hamm stated it is still less than one light every half-mile. Mr. Neal stated on average, yes, but when we are looking at five lights in that short of a span, the traffic through this portion will be horrible. Dillinger stated the County has given on several things, but this is the best we can do. Holt and Altman agreed.

[8:55:45] Mr. Neal reviewed the proposal, Cumberland Road is a full access signal; #1 is right in, right out; Howe Road is full access signal; #2 right in, right out on north and south side, but no left turn access; Promise Road is fully signalized; #3 right in, right out north side only; #4 right in, right out; a decision needs to be made for a full access point at either Summer or Marilyn and the other intersection being right in, right out; #5 left in access - no; Boden Road signal. Dillinger stated we need to know if we have an agreement on this. The Commissioners left the room to allow the representatives of the City of Noblesville to discuss the proposal.

[9:21:32] Mr. Hamm stated the only way this will work for the City is a light at Cumberland Road; #1 - full access point, this is not retail and they will commit that it will be office/industrial and it will not serve the residential to the south; #2 - right in, right out; a light at Promise Road; #3 right in, right out on north side; #4 right in, right out subject to that we will be allowed to revisit this issue in the future, depending on future development; light at Summer or Marilyn Road yet to be determined; give up access point at #5 or #6. Mr. Hamm stated there is always a possibility of revisiting anything, for the purposes of marketing we are real concerned about #4 and would like that language included. Deleting #5 is ok. Altman stated if we agree to this language that we will revisit that access point, there will be a light there in 5-10 years. Mayor Ditslear stated you won't have a light. Mr. Howard stated we can agree no light no matter what. Mr. Hamm stated that is fine. Mr. Howard stated there is a potential to cut the median, not a light at #4. Mr. Neal stated then you will have a warrant for a signal and if you don't put it in, then you will close the median. Mr. Hamm stated we can agree #4 will be right in, right out today. Mr. Howard stated we can always revisit it by mutual agreement. Altman does not want any implied consent on the County's part. Holt and Dillinger agreed. Mr. Howard stated the point that it is not retail is important, it will be for people going to and from work. The City can commit that the uses on the north side between Howe and Cumberland would be non-retail uses. Holt asked Mr. Neal if that is the case, would it rise to merit a warrant? Mr. Neal stated it depends what the final use is, it can be non-commercial and you can have the traffic throughout the day, then there will be a possibility the warrant could be met. Holt stated he could go along with it as long as we have an agreement that a median went in to meet a warrant. Altman agreed and added we would close it if there is a safety issue. Dillinger stated even with Holt's compromise he is not interested. If we open it up and we are warranted for a light and then we close it up and then the people will be upset. Mr. Davis stated there is one other condition that could create a problem, if it goes to six lanes. Even if it is a non-signalized warranted location you will be asking people to turn left across three oncoming lanes of traffic. Mr. Jump stated if it goes to six lanes we will put the median in. Mr. Neal stated if it is zoned for anything other than what the agreement says, we will close the median. Mayor Ditslear stated they understand that. Dillinger asked Altman if she agrees to the compromise? Altman stated she can live with that. Mr. Jump clarified that #4 is full access with the exception that if it goes to six lanes the median is closed? Altman stated no, it will never be full access. Dillinger stated #4 is right turn only. Mr. Hamm stated he is concerned that there is nothing on record that we will not discuss it in the future. Altman stated we told you we are not going to talk about it. It will build out right if we set the parameters right in the beginning. Mr. Hamm asked if #4 could be left in and not left out? Mr. Jump stated a break in the median to allow left turn movements to the north but they can not get on 146th Street. Mr. Hamm stated if it goes to six lanes we would agree to close the median on #4 and #1. Dillinger stated it is more clogged than it was from the beginning and personally he is not willing to compromise any further. Dillinger stated if we are going to be involved we have gone as far as he is willing to go. Holt agreed. Altman asked United Consulting what their opinion is, having a stacked lane with a left over, is that significant at that location? Mr. Devin Stettler stated that is hard to answer without having numbers. Mr. Howard asked if it would be a pork chop? Mr. Jump stated a pork chop is not the ideal way to channel traffic, but it does work. We could make it that way, it would be a partial pork chop. Mr. Hamm stated we do that covenant to the time the road expands and then close it at six lanes. The Commissioners and City representatives agreed.

[9:34:50] Mr. Howard clarified the agreement: 1) Signal at Cumberland Road; 2) #1 becomes a full access, closed upon either of the following - a warranted traffic signal or expansion of the road to six lanes or a change of zoning. The City would covenant that it would be non-retail uses between Cumberland and Howe. 3) Light at Howe stays. 4) #2, right in and right out; 5) signal at Promise Road stays; 6) #3 right in, right out; 7) #4 designed as a left in only, right in, right out with channelization. If it goes to six lanes it closes; 8) #6 or Marilyn - light installed at one, but not both intersections at the City's discretion. The other intersection would be a right in, right out only. 9) #5 - left access is deleted. [9:37:00] Altman motioned to enter into an interlocal agreement with the City of Noblesville for the design of this roadway as described by Mr. Howard's delineation of the project. Holt seconded. Dillinger amended the motion to include pending financial negotiations. Motion carried unanimously.

Finances: [9:37:47]

Mr. Howard reviewed the project costs. The worst case scenario is the projected reimbursements and revenue stream that are on the table and then look at what will have to be financed and a proposal for the costs.

Design - \$1.3 million

Land Acquisition - \$3.7 million

Construction Inspection - \$2 million

Construction - \$18 million

Noblesville Costs (proposal for landscaping & utility relocation) - \$2 million. Mr. Jump stated at their presentation regarding the utility relocation, there was a savings associated with that attributed back to land acquisition if the County would be willing to put it towards that part of the utility relocation. Altman stated our people have said it is not realistic. Mr. Howard stated if there is an opportunity we will have to work that out.

Non-Noblesville costs of design, land acquisition, construction inspection and construction are \$25 million. Of this we revisited the reimbursement agreement from the SR 238 relinquishment and those are for this project. It is not expressed that it would be for construction costs, but it is implied and the idea that would be put in to corporate trustees is a lease rental term we included. INDOT does not use federal money for design. We have \$9 million in reimbursement and \$1 million approved

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federal money. That is \$10 million in the bank. We will have to add \$1.5 to \$2 million in capital interests and issuance costs. This totals \$17 million. Debt Service on \$17 million at today's rates will be +/- \$1.5 million per year.

Mr. Howard described the revenue streams: the TIF along the development on SR 37 may generate \$500,000, the zoning along the rest of 146th Street is light industrial and if a large company comes in they will want to deal with abatements. If the TIF grew at 15% it would be a miracle. If the first debt service payment is in 2009, we are looking at a potential shortfall with TIF and debt service at \$1 million per year. Holt asked what is projected to be in on the west side of Boden? Mr. Hamm stated if the road is operational in 2007, from a construction perspective you may not have much of anything on a tax basis.

Mr. Howard stated \$6 million of the reimbursement will be available in the third quarter of 2006, if we start in 2006 we can get that money back pretty quickly. To do that utility negotiations and land acquisition are in 2005 and design in 2004. If we are going to do this there would be an agreement to share the front end of the costs, design and land acquisition with an agreement that it would be reimbursed either a) from federal grants or b) from the proceeds of the bond issue. Mr. Howard stated there will be a reimbursement for design of \$1 million in September or October. The land acquisition would be appropriated and budgeted. The bond would be issued to fund construction and construction inspection with short term financing and long-term financing. Noblesville will be the insurer. The question would be how do we fund the shortfall between the outside revenues which could be federal money and/or TIF. If there is federal money pledged to the project in 2004, 2005, 2006, 2007 would be under the same formula that you have to spend \$1.25 to get \$1.00. Altman stated if we are in an appropriation bill it would not. Mr. Howard stated all monies that come in before we close the permanent financing or all approvals would be either cash or reimbursements. It would reduce the costs of the long-term financing by putting it in the short-term financing or direct cash in to the deal. Altman asked if we could accrue it in the lease issuance to cover the shortfall in the TIF? Mr. Howard stated basically to pay capital interest. Altman stated yes. Mr. Howard stated if we could come up with another \$5 or \$6 million in federal money then we would reduce the capital interest and the TIF that will be online in 2009 will fund about \$7 million. Mr. Howard asked if none of this happens what do we do with the shortfall? Altman stated she would like to extend out the first payment to help us catch up. Mr. Howard stated the short-term financing would be out of the relinquishment agreement. We would do a short bond, because the cash has to be there the day we let the contract. Those reimbursement monies will come in the first year. We would carry the \$9 million for one or two years. Holt stated his concern is that when we looked at the INDOT agreement, in a worse case scenario when we continue to have an unfavorable administration in Indianapolis and that agreement said as funds were available, if we did not get the money are we comfortable that we can pay the bill to build this road? Mr. Howard stated if that would happen we would have to roll the short-term financing into the long-term deal. Then we would have a \$2.5 million a year, debt service. Altman stated she wants to make sure we are not using TIF money first for the landscaping until TIF catches up. Mr. Howard stated it would come off the top of the City, the City would have to figure out how to fund it.

Holt asked if their would be interest in folding the bridge over Olio Road over in to the TIF district, either east or west in this agreement? When the TIF could fund that bridge we would move forward with the project? Mr. Jump stated it would be the second priority. Holt stated he doesn't care if we do it before landscaping, just keep it on the horizon. Mr. Jump stated our concern is with the TIF, we do have road impact fees coming, all the crossing streets will need upgrading, which we will need to find a funding source for those upgrades. Mr. Howard stated the alternatives would be developer exactions. The only thing we could use road impact fees for would be improvements to the intersections by Greenfield Avenue. Mr. Hamm stated there is a potential of having another partner in the Olio Bridge project. It does benefit the Town of Fishers. Dillinger stated they will not put it before Cyntheanne Road. Holt stated it was awkward on US 31 and 146th Street with the TIF to come back after the fact when we asked to get TIF money for the ramps and bridge. It was crazy not to have that laid out from the beginning. Mr. Hamm asked if the western TIF infrastructure could be allocated outside the TIF. Mr. Howard stated yes, the statutory test is located within or benefitting. Mr. Hamm stated the language on the eastern TIF would prohibit it. Mr. Neal stated the only thing that could help us if right of way is preserved beforehand as development happens. Mr. Jump stated Noblesville has adopted the plan into their thoroughfare plan, the two neighbors to the south have not. Mr. Howard stated we could include in the agreement that when the western TIF goes into the black the City would commit to expanding the project. Mr. Hamm stated he would like to list potential future infrastructure, including roads inside the corporate campus as part of that list.

Mr. Howard stated regarding the short-fall issue, if we put in the agreement that at the time of the issuance of bonds, the parties would agree to extend the capital interest period to a maximum of two years beyond the completion of construction. Holt asked to change it to up to three years. Mr. Howard stated if everything goes right we would bid in early 2006, issue in 2006 with notice to proceed in fall 2006. If land is not an issue construction could begin in 2006. Mr. Howard stated we hope to have legal descriptions in December 2004. Design will take one year and land acquisition will take one year from design completion.

Dillinger asked if Noblesville has taken in to consideration the extra COIT you will receive from developing this road. Altman stated there will be an AV shift from annexation. Mr. Howard stated the City and County will get the same growth rate. Altman stated she does not think it will stay there. The County's source is COIT to pay this off, to the extent it is annexed it will erode that to an extent. Mr. Howard stated it will be 10% to 15%. Dillinger stated we want to be a 50/50 partner and we will agree to that. Altman stated bearing in mind that it is a consideration the Commissioners need to talk about, hopefully the risk is not there. Dillinger stated we have a deal. Altman added subject to Council approval. [10:20:32] Holt motioned that we enter in to the financing as explained as discussed where we will do the short term financing, the long term financing, we would extend the capitalization for five years as required to catch up and we share in the liability 50/50 on the TIF shortfall. Altman added with the exception of landscaping and future repairs. Altman seconded. Mr. Howard stated we need a Memorandum of Understanding to be signed off by the Executive Branch so we have something in hand for the Washington trip. Motion carried unanimously.

Dillinger adjourned the meeting.

Present

Christine Altman, Commissioner
Steven C. Dillinger, Commissioner
Steven A. Holt, Commissioner
John Ditslear, Mayor of Noblesville

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Robin M. Mills, Auditor
Michael Howard, Attorney
Brad Davis, Highway Director
Jim Neal, Highway Engineer
Joel Thurman, Highway Project Engineer
Kevin Jump, Noblesville Engineer
Chris Hamm, Noblesville Planning
Rusty Bodenhorn, Noblesville
Fred Swift, Administrative Assistant to Commissioners
Steven Passey, United Consulting
Devin Stettler, United Consulting
Dave Richter, United Consulting
Joanna Hensley, Ledger
Kim Rauch, Administrative Assistant to Auditor

APPROVED
HAMILTON COUNTY BOARD OF COMMISSIONERS

ATTEST

Robin M. Mills, Auditor